



**Director of
Central
Intelligence**

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OCPAS/CIG

CY# 285

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National Intelligence Daily

*Thursday
22 September 1983*

~~**Top Secret**~~

CPAS NID 83-223JX

22 September 1983

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PHILIPPINES: Prospects for More Unrest

Public disenchantment with the regime is intensifying, and further demonstrations are likely in the weeks ahead. [REDACTED]

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The government had not anticipated the large turnout for the massive demonstration yesterday at the central post office or its occasional anti-US overtones. [REDACTED]

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Press reports circulating in Manila that link the assassin of Benigno Aquino to the armed forces are reinforcing popular perceptions of government complicity in Aquino's death. The defense attache also reports that the officer corps is demoralized and divided over the military's possible role in the assassination. [REDACTED]

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Meanwhile, key members of the business community have met with the US Ambassador to express their concern over political trends. In addition, 900 business and professional people have signed an open letter asking that President Reagan cancel his visit in November. [REDACTED]

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Comment: New fissures are appearing in President Marcos's key political constituencies. Members of the elite and much of the public, and possibly even some of the military, appear willing for the first time to take their chances on an alternative to the Marcos government. [REDACTED]

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Marcos could reduce tensions by reconstituting the commission of inquiry to include members acceptable to the opposition and adopting liberal rules for National Assembly elections next May. So far, however, he appears increasingly intransigent and withdrawn from his advisers. [REDACTED]

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The student groups that played a key role in rioting yesterday, as well as moderate opposition groups, now almost certainly will turn their attention to the President's visit. If Marcos does not succeed in calming the situation by then, large demonstrations with strident anti-US and antigovernment overtones appear inevitable. [REDACTED]

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CHINA-US: Agenda for Secretary Weinberger's Visit

The Chinese are likely to focus on the new US guidelines on technology transfer, including weapon-related technology, in discussions with Secretary of Defense Weinberger next week in Beijing. []

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Chinese leaders have taken a positive and cautiously optimistic attitude toward the visit. Foreign Minister Wu, in his press conference last week, noted signs of improvement in relations with the US and "welcomed" Washington's decision to increase high-level contacts.

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Last month senior Chinese officials indicated to US Congressional delegations that they regard the US position on technology transfer as the key to the success of the visit. Through a variety of informal channels, the Chinese have expressed their interest in gaining access to the highest possible level of US military-related technology. []

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The US Embassy reports the Chinese also have suggested that they will raise Taiwan, INF, the US strategic role in East Asia, and other security issues with the US delegation. In addition, the Chinese want to discuss the scheduling of lower level military and strategic exchanges. []

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Comment: The Chinese clearly hope that the visit will build on the positive atmosphere begun during the visits of Secretary of State Shultz and Secretary of Commerce Baldrige earlier this year. Beijing's interest in raising US strategy in East Asia probably stems from concern about growing Soviet military capabilities in the region, as well as a desire to explore US thinking about China's role. Although Chinese comments on US policy toward Taiwan are likely to be strong, Beijing probably will not make any new demands. []

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WESTERN EUROPE-USSR: More Reactions to Airliner Incident

West European governments remain indignant about the downing of the Korean airliner, but broad agreement on further common actions will be difficult to achieve. [REDACTED]

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Most NATO governments plan to bring up the incident during the UN General Assembly debate that begins on Monday. According to NATO officials polled in Brussels early this week, however, they doubt the utility of making it a separate agenda item. A West German official questioned the point of a separate item, given the Security Council's inability to act because of the Soviet veto and the difficulty in getting a majority in the General Assembly for such an approach. [REDACTED]

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Several West European delegations to UNESCO are skeptical about raising the issue there because it is outside the organization's province. They worry that it would undermine Western opposition to politicizing UNESCO and permit further political exploitation of the organization by the Soviets and the Arabs. The French fear that any discussions in UNESCO would cause the USSR and its clients to obstruct Western aims on human rights and disarmament questions. [REDACTED]

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The British Government, however, wants to keep up the pressure of international public opinion on Moscow. It has suggested weekly meetings in London with appropriate US Embassy officials to advance this aim. [REDACTED]

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Comment: Aside from the UK, most West European countries probably believe that their actions in the UN Security Council and the Council of the International Civil Aviation Organization, along with their civil aviation boycott, constitute the most appropriate responses to the incident. They are likely to believe that any additional measures would produce diminishing returns. On the other hand, they may feel constrained to support US initiatives in UN forums rather than appear to be soft on the Soviet action. [REDACTED]

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NICARAGUA: Ties to Communist States

The Sandinistas are continuing to strengthen their ties to Communist states, but they also hope to increase support from Western Europe during Interior Minister Borge's trip there this week.

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Last week Nicaragua became an observer to CEMA. According to the Nicaraguan press, a mixed commission with CEMA will be formed to assist Nicaragua's economic development.

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Meanwhile, Junta Member Ramirez returned last week from an official visit to Mongolia and North Korea, both of which were visited by Junta Coordinator Daniel Ortega earlier this year. Ramirez says Nicaragua will receive economic and technical assistance from North Korea, including a steel processing plant.

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Vietnam's Foreign Minister recently concluded his second visit to Managua since the Sandinistas took power. The two countries signed a consular convention intended to strengthen trade relations and an agreement on party-to-party cooperation.

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The Sandinistas have described Borge's visits to high-level leaders of eight West European countries as a political trip. French officials gave him a cordial reception, but he has been put on the defensive in Spain by questions about Sandinista links to Basque guerrillas.

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Comment: Despite the Sandinistas' intentions to increase their economic links to Communist countries, they will continue their vigorous quest for Western aid and political support. Nicaragua's abstention on the UN vote on the shootdown of the Korean airliner probably was intended to preserve a facade of nonalignment.

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CANADA-US: Opposition to Cruise Missile Testing

A recent decision by the Canadian Federal Court to consider a peace coalition's petition for an injunction to block the testing of US cruise missiles in Canada could delay the start of test flights. []

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Lawyers for the government had asked the Court to reject the petition on the grounds that, under a parliamentary system, external relations are the sole prerogative of the cabinet. The Court, however, said that the coalition's petition did not challenge the cabinet's power to conduct external affairs but rather raised questions concerning the protection of individual rights under Canada's new Charter of Rights and Freedoms. The Court gave the government 30 days to prepare a defense statement. []

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Comment: The coalition, by insisting that Ottawa's approval of the tests violated the Charter's guarantee of "life, liberty, and security" for Canadians, raised a constitutional question the Court could not ignore. Canadian officials continue to assert that the coalition's case is legally tenuous. The Court will be moving into an uncharted constitutional area in the matter, however, and its ultimate decision is unpredictable. []

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If the Court issues an injunction, it could reopen the parliamentary debate on cruise missile testing that Prime Minister Trudeau had hoped was closed. The government then might be placed in the difficult position of having to forgo a commitment on which it has expended considerable political capital or seek to circumvent the constitutional guarantees it considers the hallmark achievements of its tenure in power. []

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Barring such a ruling by the Court, the test flights scheduled for 1984 probably will proceed near schedule. Both the ruling Liberals and the opposition Progressive Conservatives are committed to the program. []

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Chairman Samuel Kanyon Doe



Head of State since coup in 1980 . . .
32 . . . self-confident, impetuous,
politically astute . . . wary of Soviet
and Libyan intentions in Africa . . .
looks to Washington as chief protector
and adviser . . . could run for President
if he goes through with elections
now slated for 1985.

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LIBERIA-US: Head of State Doe's Visit

Head of State Doe, who visits the US next week, will seek more economic aid, recognition of his recent foreign policy initiatives, and a reaffirmation of Liberia's special relationship with the US. [REDACTED]

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Doe has established fragile political stability, but financial mismanagement and corruption have undercut efforts to halt a 10-year economic slide. Unemployment has risen to 30 percent, per capita income continues to decline, and inflationary pressures are growing. Annual US economic assistance of more than \$70 million is the only barrier to massive default. [REDACTED]

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The Liberian leader has been ambivalent about returning the country to civilian rule by 1985. [REDACTED]

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Doe has long wanted to demonstrate his utility as a moderate influence in Africa. According to the US Embassy, Doe is likely to point to the removal of his leftist Foreign Minister, renewal of relations with Israel, and his strong public stand on Chad and the Korean airliner shootdown as evidence of his good faith. [REDACTED]

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Comment: Doe probably will claim additional economic aid is needed to ensure a transition to civilian rule, to keep the Army content, and to strengthen internal stability. [REDACTED]

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The Head of State's political astuteness and firm hand thus far have helped keep restiveness over the economy within manageable bounds. Nevertheless, Doe faces severe political problems ahead if the economy continues to decline and if he reneges on plans for civilian rule. Most Liberians assume the latter move would lead to a better life. [REDACTED]

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CYPRUS: Foreign Minister Resigns

The sudden resignation of Foreign Minister Rolandis on Tuesday comes at a time when the Greek Cypriots are facing some crucial foreign policy decisions. [redacted]

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Over the past several weeks the Greek Cypriots have been fashioning their response to the UN Secretary General's new plan for solving the Cyprus problem. Early this week President Kyprianou finally announced his support of the effort but reserved the right to seek further "clarifications" on the substance. [redacted]

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In addition, the Council of Europe will be considering the issue of Greek Cypriot representation in the Assembly next week, and Rolandis was scheduled to give an address. The Cypriot seat has been vacant since 1964. The issue is especially controversial because the Turkish Cypriots have repeatedly threatened to declare independence if the Council accepts the Greek Cypriot bid. [redacted]

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Rolandis had served as Foreign Minister since shortly after Kyprianou's election as President in 1978. Interior and Defense Minister Veniamin, also a longtime cabinet member, will assume Rolandis's duties—at least temporarily. [redacted]

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Comment: Rumors that Rolandis might resign had been circulating since early this year, when a business associate of his was implicated in a narcotics scandal. Nonetheless, Rolandis seemed to be in good stead after his solid performance at the UN in May, when the General Assembly passed a strongly worded resolution in support of the Greek Cypriot position. His sudden resignation appears to be a result not only of substantive disagreements with the President over the UN initiative but also of long-simmering personality differences.

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[redacted] The Foreign Minister's departure thus is unlikely to affect the basic direction of Cypriot policy. [redacted]

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USSR-US: Hint of INF Countermeasures

The Soviets' chief INF negotiator in Geneva told Ambassador Nitze on Monday that, if the US deploys Pershing II's, they "will have no meaning" in five years because the USSR will deploy "new things, the kind President Reagan has talked of." [REDACTED]

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Comment: The apparent hint that Soviet countermeasures to NATO's INF deployments could include defenses against the Pershing II may be an allusion to the current strengthening of ABM defenses at Moscow. It also could refer to the intended deployment of the new SA-X-12 surface-to-air missile, which has some capabilities against tactical ballistic missiles—possibly including the Pershing II. Although the reference to the President's remarks could imply that space-based ABM systems are being considered, these could not be deployed within five years. The negotiator's statement follows General Secretary Andropov's assertion to a US labor leader last month that the Western deployments would compel Moscow to concentrate on "defensive countermeasures," a formulation the Soviets previously have not used. [REDACTED]

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NETHERLANDS: Economic Benefits of INF

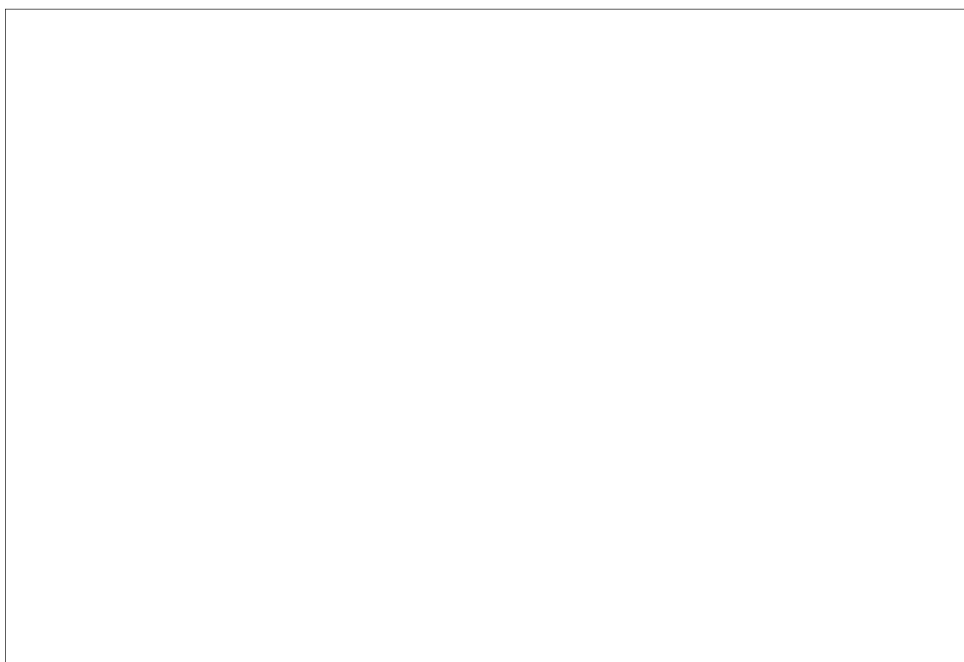
A Dutch military officer working on INF technical problems has expressed interest in obtaining information on potential economic benefits to the Netherlands from US INF deployment in Woensdrecht. The officer noted that he had received many inquiries about the economic impact from local businessmen. 

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Comment: The officer may have been hinting that some sort of US economic package would ease the government's difficulties with both the local authorities in Woensdrecht and with reluctant politicians in The Hague. Local approval or even acquiescence in basing could encourage the government to move forward more expeditiously on deployment construction. The use of economic incentives to win broad acceptance of INF probably will not be effective, however, in view of the depth of antinuclear sentiment in the Netherlands. 

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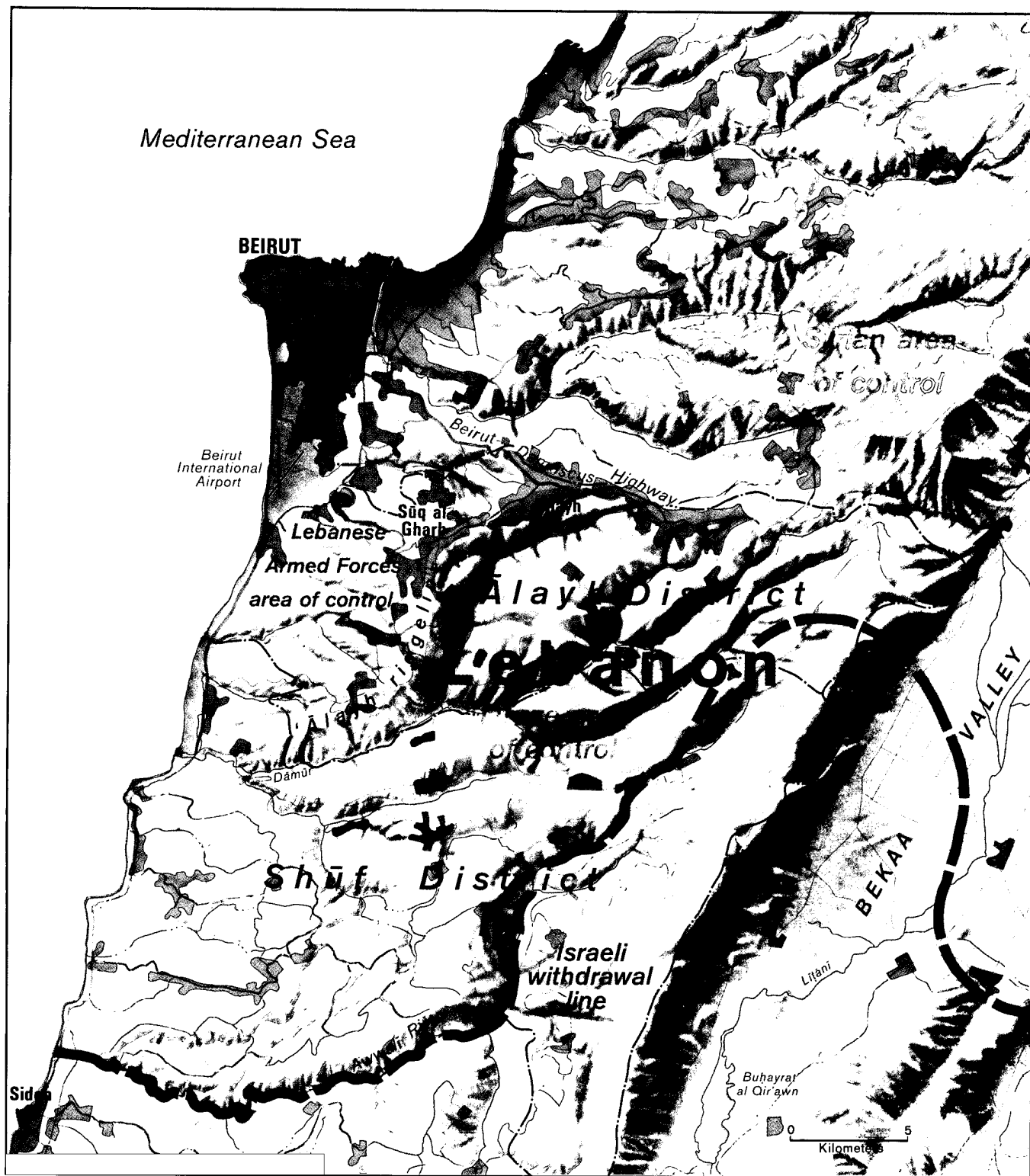
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Special Analysis

LEBANON: The Role of the Druze

The Druze reluctantly have allied themselves with Syrian and Palestinian groups to gain control of the Shuf region—the traditional Druze heartland—and to protect themselves from the Christian Lebanese Forces militia. Ideally, the Druze want a restructured political system in which they play a larger role. They would settle, however, for a government that is not dominated by the Christian Phalange Party and that allows the Druze militia to protect the Druze community from the Christians in the Shuf. []

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Lebanon's 180,000 Druze are engaged in a 150-year-old blood feud with the larger Maronite Christian community led by President Gemayel's family. Walid Junblatt heads the larger of two major factions of Lebanese Druze. []

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Junblatt's Progressive Socialist Party has the only armed Druze militia, which numbers about 5,000 men. The Druze community as a whole has rallied behind Junblatt against the common Maronite enemy. []

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Most Druze are convinced that the Army is pro-Christian, and thus they oppose its attempts to move into the Shuf. They fear that the Army would allow the Christian militia to massacre Druze civilians and establish a firm foothold in the area. This fear has been reinforced during recent fighting when the Army appeared to work in collusion with the Christian militia. []

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Accepting Help Reluctantly

The Druze generally dislike both the Syrians and the Palestinians but have accepted their help to preserve the Druze heartland and maintain pressure on the government. As the fighting has intensified, the Druze militia has grown increasingly dependent on Syrian financial and military aid and has owed much of its success to Palestinian participation. Junblatt himself fears the Syrians because he believes, probably correctly, that they were responsible for his father's murder in 1977. []

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The Druze see no alternative to their current association with the Syrians and the Palestinians. Junblatt, afraid for his personal safety, has proved highly susceptible to Syrian pressure. Moreover, the Army, the Israelis, and the contingents of the Multinational Force have all been unable or unwilling to guarantee the safety of the Druze. []

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Druze Objectives

The Druze now control nearly all of the Alayh District and much of the Shuf, including many Christian towns in the mountains. Their militia hopes to dislodge the Army from positions along the Alayh ridgeline. They probably will not try to occupy parts of Beirut or areas outside of the mountains, although they will continue shelling Beirut to keep pressure on the government. []

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The military success Junblatt has achieved so far will add to his credibility in demanding concessions from the government in any negotiations after a cease-fire. He will insist on the exclusion of the Lebanese Forces from the Shuf, as well as a limited Lebanese Army presence there, an agreement that the Druze militia not be disarmed, and the resignation of certain government members, including Prime Minister Wazzan and possibly Army commander Tannous. []

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In addition, the Syrians probably will urge Junblatt to demand the abrogation of the Lebanese-Israeli withdrawal agreement. If Syria's influence on Junblatt were neutralized, however, his minimum demands probably would be more limited. []

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The Druze have never aspired to their own ministate in a partitioned Lebanon. They probably realize that a self-contained Druze canton in the mountains would be neither economically nor politically viable. In the absence of a credible central government, however, they almost certainly will reinforce their mountain heartland and establish a de facto Druze ministate there. []

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Outlook

The Palestinians clearly are trying to establish a presence in the Shuf and Alayh Districts. Although the Druze will remain susceptible to Syrian influence, they probably will make a strong effort to prevent a permanent Syrian or Palestinian presence there. If the current cease-fire talks remain stalled, Junblatt may seek negotiating channels independent of Syria, but Damascus will seriously limit his options. []

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Early this summer Junblatt suggested that the Multinational Force contingents ensure the security of the Druze. The recent US shelling of Druze positions, however, has undermined the credibility of the US as a guarantor of Druze security. []

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[redacted]

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Israel, however, has maintained contacts among the Druze, who in the past have been willing to play the Israelis off against the Syrians. Although Tel Aviv distrusts Junblatt and his Syrian links, it has been working with lower level Druze officials in an attempt to undercut Junblatt's influence and mollify the Israeli Druze community.

[redacted]

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If the Druze could limit the Palestinian presence in the Shuf, an autonomous Druze entity there would not necessarily oppose US interests in Lebanon. After reaching some kind of agreement with the government, Junblatt's militia probably would concentrate primarily on maintaining the safety of the Druze community.

[redacted] [redacted]

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[redacted]

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Special Analysis

EL SALVADOR: Improved Counterinsurgency Effort

The completion of training by another new Salvadoran battalion substantially increases the Army's counterinsurgency capabilities. The Army also is reorganizing garrison battalions into smaller and more mobile units. These improvements should help keep military pressure on the insurgents, who will have to continue to strengthen their own forces if they are to avoid further setbacks before the elections in 1984.

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The 1,200-man "Arce" battalion was trained by US instructors at the new regional training center in Honduras. It joins the three similar US-trained immediate-reaction battalions—the "Atlatl," "Atonal," and "Belloso." Meanwhile, a 350-man "hunter" battalion is beginning training in Honduras.

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The new units are part of an ambitious effort by military leaders to restructure the Army for more effective counterinsurgency warfare. The US Embassy and the US defense attache report that the infantry battalions in each of the 14 Departments—now of varying size and composition—will form the nuclei of 36 smaller hunter units.

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About 20 of these battalions have been formed so far. They consist primarily of existing troops supplemented by recruits.

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When the reorganization is complete, the Army will be able to field units better tailored to respond to the insurgent threat. Although the four US-trained immediate-reaction battalions and the airborne battalion will remain as a strategic reserve, they also probably will continue to be used to lead major operations.

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There may be some delays in the reorganization, however, which originally was to be completed this year. Only about half of the existing hunter battalions have been trained in their new counterinsurgency role. It will be difficult to obtain capable commanders for all the new units because of a shortage of field grade officers. In addition, providing adequate housing and other logistic support for the new units will be a problem.

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Guerrilla Capabilities

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One of the largest and most militant guerrilla factions, however, has launched an offensive in the east. The People's Revolutionary Army claims to have formed several new battalions, including artillery and elite special forces units, and to have provided its militia with better weapons. The announced objectives of the new campaign are to damage the economy and inflict heavy losses on government troops. [REDACTED]

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The attack early this month on San Miguel underscores the insurgents' continued ability to choose targets of opportunity, exploit tactical intelligence, and conduct a well-coordinated operation with minimal losses. The guerrillas made good use of their new artillery battalion, which is equipped primarily with mortars and recoilless rifles, by launching an effective barrage on the military garrison. Since then, they have continued to carry out successful raids on isolated units and on bridges, powerlines, and other vulnerable economic targets. [REDACTED]

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Outlook

The attacks in the east appear to be the work of primarily one insurgent faction, although recently a second group, the Central American Worker's Revolutionary Party, has joined the offensive.

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[REDACTED]

insurgent plans may be hindered by government operations or poor coordination among the factions. [REDACTED]

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If the insurgents launch a well-coordinated offensive, the Army could come under serious pressure—especially if some government forces are tied down by simultaneous attacks against important economic targets. The military's measured and professional response to the attack on San Miguel, however, suggests that the Army is now better able to respond to insurgent moves while continuing to maintain the momentum and pace of its own operations. [REDACTED]

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